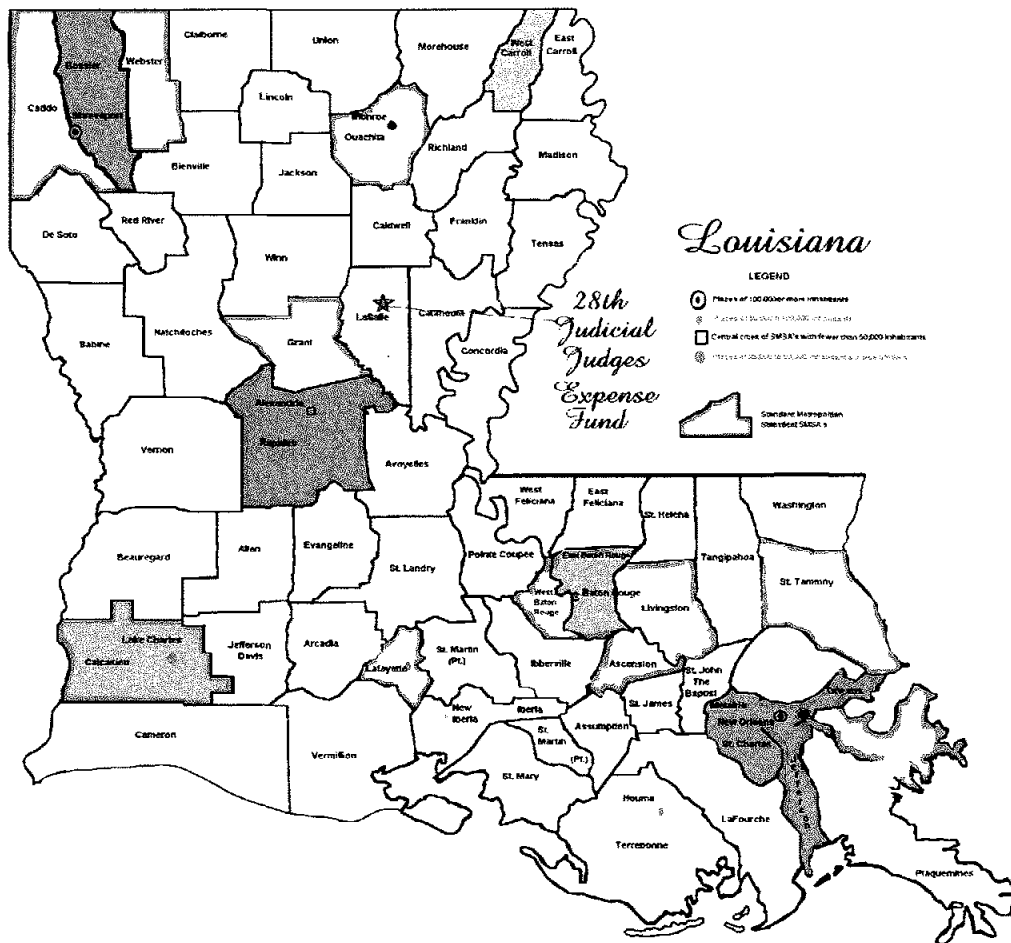


**JUDICIAL EXPENSE FUND & FAMILIES IN
NEED OF SERVICES (FINS) FUND OF THE
TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE, STATE OF LOUISIANA**

**Basic Financial Statements
October 31, 2013**

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
LASALLE PARISH,
STATE OF LOUISIANA**



* The Judicial Expense Fund of the Twenty-Eighth Judicial District Court was established by Act No. 916 of the 1985 Session of the Louisiana Legislature and began operating in November of 1986.

* The Twenty-Eighth Judicial District Court Families In Need of Services (FINS) Program was created July 1, 1994, as set forth in Title VII, Article 726-790 of the Louisiana Children's Code.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

C O N T E N T S

	Statement	Page No.
Independent Auditor's Report.....		1-2
Management's Discussion and Analysis.....		3-5
Basic Financial Statements		
Statement of Net Position.....	A	7
Statement of Activities.....	B	8
Balance Sheet, Governmental Funds.....	C	9
Reconciliation of the Balance Sheet to the Statement of Net Position.....	D	10
Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds.....	E	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities.....	F	12
Notes to the Basic Financial Statements.....		14-18
Required Supplemental Information		
Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual-General Fund.....	1	20
Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual-FINS Fund.....	2	21
Other Reports		
Report on Compliance and on Internal Control Over Financial Reporting.....		23-24
Schedule of Findings and Questioned Cost.....		25-26
Management's Corrective Action.....		27
Management Letter Comments.....		28
Management's Summary of Prior Year Findings.....		29

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A.
davidvercher@ymail.com

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Judge J. Christopher Peters
Judicial Expense Fund and Families in Need of Services (FINS) Fund
of the Twenty-Eighth Judicial District Court
Parish of LaSalle, State of Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities of the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court, as of and for the year ended October 31, 2013, and the related notes to the financial statements, which collectively comprise the Funds' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of governmental activities and each major fund of the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court, as of October 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2014, on our consideration of the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court's internal control over financial reporting and compliance.

The Vercher Group

Jena, Louisiana
January 31, 2014

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the District, we offer readers of the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended October 31, 2013. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$42,453 (*net position*). This is a \$800 decrease from last year.
- The District had total revenues of \$59,946. This is a \$6,303 increase from last year's revenues, mainly due to a \$6,366 increase in Intergovernmental Revenues.
- The District had total expenditures of \$60,308, which is a \$7,899 increase from last year's expenditures mainly due an increase in office expenses and other administrative expenses.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The District is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the District adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

MD&A

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Comparative Statement of Net Position Governmental Funds

The following table represents a condensed Comparative Statement of Net Position as of October 31, 2013:

	<u>2012</u>	<u>2013</u>	<u>% Change</u>
Assets			
Cash & Investments	\$ 41,401	\$ 40,228	-2.8
Receivables (Net)	1,695	2,686	58.5
Capital Assets, Net of Accumulated Depreciation	872	434	-50.2
Total Assets	<u>43,968</u>	<u>43,348</u>	-1.4
Liabilities & Net Position			
Accounts, Salaries, & Other Payables	715	895	25.2
Total Liabilities	<u>715</u>	<u>895</u>	25.2
Net Position			
Invested in Capital Assets, Net of Related Debt	872	434	-50.2
Unrestricted	40,800	40,592	-0.5
Restricted	1,581	1,427	-9.7
Total Net Position	<u>\$ 43,253</u>	<u>\$ 42,453</u>	-1.9

Comparative Changes in Fund Balances Governmental Funds

The following table reflects the condensed Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended October 31, 2013:

	<u>2012</u>	<u>2013</u>	<u>% Change</u>
Beginning Fund Balances	\$ 41,147	\$ 42,381	3.0
Total Revenues	53,643	59,946	11.8
Total Expenditures	(52,409)	(60,308)	15.1
Increase (Decrease) In Fund Balances	<u>1,234</u>	<u>(362)</u>	129.3
Ending Fund Balances	<u>\$ 42,381</u>	<u>\$ 42,019</u>	-0.9

MD&A

CAPITAL ASSETS

Capital Assets – Governmental Fund

At October 31, 2013, the District had \$434 invested in capital assets, including the following:

	Capital Assets at Year-End	
	2012	2013
Furnishings & Equipment	\$ 110,386	\$ 110,386
Accumulated Depreciation	(109,514)	(109,952)
Total Capital Assets (Net)	\$ 872	\$ 434

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Bobby Wilson, Treasurer, at phone number (318) 992-2002.

BASIC FINANCIAL STATEMENTS

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**Statement of Net Position
October 31, 2013**

	GOVERNMENTAL ACTIVITIES
ASSETS	
Current Assets	
Cash & Cash Equivalents	\$ 17,369
Investments	22,859
Receivables (Net of Allowances for Uncollectibles)	2,686
Total Current Assets	<u>42,914</u>
Non-Current Assets	
Capital Assets (Net)	434
Total Non-Current Assets	<u>434</u>
TOTAL ASSETS	<u>43,348</u>
LIABILITIES	
Current Liabilities	
Accounts, Salaries, & Other Payables	895
Total Current Liabilities	<u>895</u>
TOTAL LIABILITIES	<u>895</u>
NET POSITION	
Invested in Capital Assets, Net of Related Debt	434
Unrestricted	40,592
Restricted	1,427
TOTAL NET POSITION	<u>\$ 42,453</u>

The accompanying notes are an integral part of this statement.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**Statement of Activities
For the Year Ended October 31, 2013**

	PROGRAM REVENUES				NET (EXPENSES) REVENUES & CHANGE IN NET ASSETS PROGRAM REVENUES
	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Net (Expenses)/ Revenue	
GOVERNMENTAL ACTIVITIES					
General	Expenses				Governmental Activities
	\$ (34,149)	\$ -0-	\$ -0-	\$ (34,149)	(34,149)
FINS	(26,597)	-0-	-0-	(26,597)	(26,597)
Total	\$ (60,746)	\$ -0-	\$ -0-	\$ (60,746)	(60,746)
			Interest Income		192
			Intergovernmental		59,754
			TOTAL GENERAL REVENUES		59,946
			CHANGE IN NET POSITION		(800)
			NET POSITION-BEGINNING		43,253
			NET POSITION-ENDING		42,453

The accompanying notes are an integral part of this statement.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**Balance Sheet, Governmental Funds
October 31, 2013**

	<u>GENERAL FUND</u>	<u>FINS</u>	<u>TOTAL</u>
ASSETS			
Cash & Cash Equivalents	\$ 15,942	\$ 1,427	\$ 17,369
Investments	22,859	-0-	22,859
Receivables (Net of Allowances for Uncollectibles)	2,686	-0-	2,686
TOTAL ASSETS	<u>41,487</u>	<u>1,427</u>	<u>42,914</u>
LIABILITIES & FUND BALANCE			
Accounts, Salaries, & Other Payables	895	-0-	895
Unassigned Fund Balance	40,592	-0-	40,592
Restricted Fund Balance	-0-	1,427	1,427
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 41,487</u>	<u>\$ 1,427</u>	<u>\$ 42,914</u>

The accompanying notes are an integral part of this statement.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**Reconciliation of the Balance Sheet
To the Statement of Net Position
Year Ended October 31, 2013**

Total fund balance – governmental funds	\$ 42,019
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	-0-
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the balance sheet – governmental funds.	434
Total net position of governmental activities	\$ <u>42,453</u>

The accompanying notes are an integral part of this statement.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures & Changes in Fund Balances
Governmental Funds
For the Year Ended October 31, 2013**

	<u>GENERAL FUND</u>	<u>FINS</u>	<u>TOTAL</u>
REVENUES			
Intergovernmental	\$ 33,504	\$ 26,250	\$ 59,754
Interest Income	191	1	192
TOTAL REVENUES	<u>33,695</u>	<u>26,251</u>	<u>59,946</u>
EXPENDITURES			
Salaries/Personnel Costs	-0-	26,250	26,250
Office Expense	10,234	-0-	10,234
Travel	2,153	-0-	2,153
Other Administration	9,825	-0-	9,825
Telephone	2,932	-0-	2,932
Insurance	355	-0-	355
Copier Lease	7,568	-0-	7,568
Miscellaneous	836	155	991
TOTAL EXPENDITURES	<u>33,903</u>	<u>26,405</u>	<u>60,308</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	(208)	(154)	(362)
FUND BALANCES-BEGINNING	40,800	1,581	42,381
FUND BALANCES-ENDING	\$ <u>40,592</u>	\$ <u>1,427</u>	\$ <u>42,019</u>

The accompanying notes are an integral part of this statement.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**Reconciliation of the Statement of Revenues, Expenditures, & Changes in Fund Balances
to the Statement of Activities
Year Ended October 31, 2013**

Net change in fund balance – total governmental funds	\$	(362)
---	----	-------

Amounts reported for governmental activities in the Statement of
Activities are different because:

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Loan Proceeds	-0-	
Principal Paid	-0-	
	-0-	-0-

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount which capital outlays exceeded depreciation in the current period.

Capital Outlays	-0-	
Depreciation	(438)	
	(438)	(438)
Change in net position of governmental activities	\$	(800)

The accompanying notes are an integral part of this statement.

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

NOTES TO THE BASIC FINANCIAL STATEMENTS

INTRODUCTION

The Judicial Expense Fund of the Twenty-Eighth Judicial District Court was established by Act No. 916 of the 1985 Session of the Louisiana Legislature and began operating in November of 1986. The Judicial Expense Fund is controlled by the judge of the Twenty-Eighth Judicial District Court and was established and may be used for any purpose connected with, incidental to, or related to the proper administration or function of the court or the office of the judge thereof, and is in addition to any and all other funds, salaries, expense, or other monies that were or hereafter will be provided, authorized, or established by law for any of the aforesaid purposes. The Judicial Expense Fund's revenues are derived from court costs assessed in criminal cases of the Twenty-Eighth Judicial District Court and are collected by the sheriff.

The Judicial Expense Fund is part of the operations of the district court system. The district court system is fiscally dependent on the police jury for office space and courtrooms. The substance of the relationship between the district court system and the police jury is that the police jury has approval authority over its capital budget. In addition, the nature and significance of the relationship between the district court and the police jury is such that exclusion from the police jury's financial statements would render the financial statements incomplete or misleading. Therefore, this fund is a component unit of the LaSalle Parish Police Jury.

The Twenty-Eighth Judicial District Court Families In Need of Services (FINS) Program was created July 1, 1994, as set forth in Title VII, Article 726-790 of the Louisiana Children's Code. The Twenty-Eighth Judicial District Court Families In Need of Services (FINS) Program is comprised of the following judicial components: 28th Judicial District Court.

The FINS program exists in all courts in Louisiana that had juvenile jurisdiction on July 1, 1994. The State of Louisiana designed the program to bring together resources for the purpose of helping families (troubled youths and their parents) to remedy self-destructive behaviors by juveniles and/or other family members. The primary purposes of this program are (a) to use the authority of the courts in providing maximum available services to families in need of services and (b) to use formal court proceedings only after all other alternatives have been exhausted. The goal of the FINS program is to reduce formal juvenile court involvement, while generating appropriate community services to benefit the child and improve family relations.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the nonfiduciary activities of the Judicial Expense Fund and Families in Need of Services (FINS) Fund.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. All individual governmental funds are reported as separate columns in the fund financial statements.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

Fees associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Judicial Expense Fund and Families in Need of Services (FINS) Fund reports the following governmental funds:

The General Fund is the entity's primary operating fund. It accounts for all financial resources of the entity, except those required to be accounted for in the FINS fund. The financing activity of the FINS Fund is accounted for in a special revenue fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Impact of Recently Issued Accounting Principles

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASBS No. 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement is effective for periods beginning after December 15, 2011, and has been implemented in fiscal year 2012. The adoption of GASBS No. 62 does not have any impact on the Town's financial statements.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASBS No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The Statement of Net Assets is renamed the Statement of Net Position and includes the following elements: assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. This Statement is effective for periods beginning after December 15, 2011, and has been implemented in fiscal year 2012. The adoption of GASBS No. 63 does not have any impact on the Town's financial statements.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

C. CASH & INVESTMENTS (CERTIFICATES OF DEPOSIT IN EXCESS OF 90 DAYS)

Deposits

It is the District's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The District's deposits are categorized to give an indication of the level of risk assumed by the District at year-end. The categories are described as follows:

- *Category 1* – Insured or collateralized with securities held by the District or by its agent in the District's name.
- *Category 2* – Collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
- *Category 3* – Uncollateralized.

Bank	Bank Balance 10/31/2013
Southern Heritage Bank	\$ 1,427
Bank of Jena	28,798
Sabine State Bank	10,003
Total	\$ 40,228

Amounts on deposit were fully secured as of October 31, 2013, and were secured by the following pledges:

Description	Total All Banks Market Value
FDIC (Category 1)	\$ 40,228
Securities (Category 2)	-0-
Total	\$ 40,228

D. VACATION, SICK LEAVE & COMPENSATED ABSENCES

The Judicial Expense Fund and Families in Need of Services (FINS) Fund has no leave policies.

E. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
(CONTINUED)**

2. CHANGES IN GOVERNMENTAL FIXED ASSETS

A summary of change in governmental fixed assets follows:

	Beginning Balance		Additions		Deletions		Ending Balance
Furnishings & Equipment	\$ 110,386	\$	-0-	\$	-0-	\$	110,386
Accumulated Depreciation	(109,514)	\$	(438)	\$	-0-	\$	(109,952)
Net Fixed Assets	\$ 872	\$	(438)	\$	-0-	\$	434

Fixed assets are depreciated using the straight-line method using the following useful lives:

Equipment	5-10 Years
-----------	------------

3. RECEIVABLES

The receivables at October 31, 2013, are detailed below:

Intergovernmental	\$ <u>2,686</u>
-------------------	-----------------

Allowance for doubtful accounts, if any, is considered immaterial and is not presented.

4. OPERATING LEASE

The Twenty-Eighth District Court has an operating lease with Kyocera Mita America, Inc. for copy machines. The lease payment is \$663 per month for 36 months beginning July 12, 2011.

Future lease payments are as follows:

2014	\$ <u>5,967</u>
Total	\$ <u>5,697</u>

5. RESTRICTED FUND BALANCE

Restricted Fund Balance is restricted for Families in Need of Services (FINS) Fund Activities.

REQUIRED SUPPLEMENTAL INFORMATION

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures & Changes in Fund Balances
Budget and Actual
General Fund
For the Year Ended October 31, 2013**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS BUDGETARY BASIS</u>	<u>BUDGET TO ACTUAL DIFFERENCES FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Intergovernmental	\$ 53,000	\$ 53,000	\$ 33,504	\$ (19,496)
Interest Income	-0-	-0-	191	191
TOTAL REVENUES	<u>53,000</u>	<u>53,000</u>	<u>33,695</u>	<u>(19,305)</u>
EXPENDITURES				
Office Expense	26,500	26,500	10,234	16,266
Travel	4,000	4,000	2,153	1,847
Insurance	-0-	-0-	355	(355)
Copier Lease	-0-	-0-	7,568	(7,568)
Telephone	-0-	-0-	2,932	(2,932)
Other Administration	17,000	17,000	10,661	6,339
Capital Outlay	5,500	5,500	-0-	5,500
TOTAL EXPENDITURES	<u>\$ 53,000</u>	<u>\$ 53,000</u>	<u>33,903</u>	<u>\$ 19,097</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			(208)	
FUND BALANCES-BEGINNING			40,800	
FUND BALANCES-ENDING			<u>\$ 40,592</u>	

The accompanying notes are an integral part of this statement.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**Statement of Revenues, Expenditures & Changes in Fund Balances
Budget and Actual
FINS Fund
For the Year Ended October 31, 2013**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS BUDGETARY BASIS</u>	<u>BUDGET TO ACTUAL DIFFERENCES FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Supreme Court Allotment	\$ 26,250	\$ 26,250	\$ 26,250	\$ -0-
Interest Income	-0-	-0-	1	1
TOTAL REVENUES	<u>26,250</u>	<u>26,250</u>	<u>26,251</u>	<u>1</u>
EXPENDITURES				
Officer Salary	26,250	26,250	26,250	-0-
Miscellaneous	-0-	-0-	155	(155)
TOTAL EXPENDITURES	<u>\$ 26,250</u>	<u>\$ 26,250</u>	<u>26,405</u>	<u>\$ (155)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			(154)	
FUND BALANCES-BEGINNING			<u>1,581</u>	
FUND BALANCES-ENDING			<u>\$ 1,427</u>	

The accompanying notes are an integral part of this statement.

OTHER REPORTS

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A.
davidvercher@ymail.com

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Judge J. Christopher Peters
Judicial Expense Fund and Families in Need of Services (FINS) Fund
of the Twenty-Eighth Judicial District Court
LaSalle Parish
State of Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court, as of and for the year ended October 31, 2013, and the related notes to the financial statements, which collectively comprise the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court's basic financial statements, and have issued our report thereon dated January 31, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court's internal control. Accordingly, we do not express an opinion on the effectiveness of the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eight Judicial District Court's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed the following instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items **(2013-C-1 Budget Variances)**.

Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eight Judicial District Court Response to Findings

The Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eight Judicial District Court's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eight Judicial District Court's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

January 31, 2014
Jena, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COST OCTOBER 31, 2013

Section I - Summary of Auditor's Results

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST
(CONTINUED)
OCTOBER 31, 2013**

Section II Financial Statement Findings

2013-C-1 Budget Variances

Condition: The Entity had an unfavorable revenue variance of \$19,305 or 36.4% in the general fund.

Criteria: The Budget Act requires that governments amend their budgets when revenues fall below budgeted amounts by more than 5% or when expenditures exceed 5% of appropriations.

Cause of Condition: Not amending budget.

Effect of Condition: Violation of the Budget Act.

Recommendation: Entity should monitor revenues and expenditures to determine if the budget should be amended.

Client Response: Discussed with the Entity's Administrator. The fund will begin monitoring revenues and expenditures to determine if the budget should be amended.

Section III Federal Awards Findings and Questioned Costs.

Not applicable.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION
FOR CURRENT YEAR AUDIT FINDINGS**

FINDINGS:

2013-C-1 Budget Variances

Finding: The Entity had an unfavorable revenue variance of \$19,305 or 36.4% in the general fund.

Corrective Action: Discussed with the Entity's Administrator. The fund will begin monitoring revenues and expenditures to determine if the budget should be amended.

Contact Person: Bobby Wilson

Anticipated Completion Date: October 31, 2014

John R. Vercher C.P.A.
jrv@centurytel.net

Jonathan M. Vercher M.S., C.P.A.
jonathanvercher@centurytel.net

David R. Vercher M.B.A., C.P.A.
davidvercher@ymail.com

THE VERCHER GROUP

*A Professional Corporation of
Certified Public Accountants*

**P.O. Box 1608
1737 N 2nd St. – Suite A
Jena, Louisiana 71342
Tel: (318) 992-6348
Fax: (318) 992-4374**

MEMBERS

American Institute of
Certified Public Accountants

Society of Louisiana
Certified Public Accountants

MANAGEMENT LETTER COMMENTS

During the course of our audit, we observed conditions and circumstances that may be improved. Below are situations that may be improved (if any) and recommendations for improvements.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

There are no current year management letter comments.

**JUDICIAL EXPENSE FUND
AND FAMILIES IN NEED OF SERVICES (FINS) FUND
OF THE TWENTY-EIGHTH JUDICIAL DISTRICT COURT
PARISH OF LASALLE
STATE OF LOUISIANA**

**MANAGEMENT'S SUMMARY
OF PRIOR YEAR FINDINGS**

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Judicial Expense Fund and Families in Need of Services (FINS) Fund of the Twenty-Eighth Judicial District Court, LaSalle Parish, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended October 31, 2012.

PRIOR YEAR FINDINGS

There were no prior year findings.